

County Economic Status and Distressed Areas in the Appalachian Region, Fiscal Year 2010

Appalachian Regional Commission
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Introduction

These materials describe the Appalachian Regional Commission's (ARC) County Economic Status Classification System and Distressed Areas designation and provide tables and maps to assist in locating county and area designations.

County Economic Classification System

ARC uses an index-based county economic classification system to identify and monitor the economic status of Appalachian counties. The system involves the creation of a national index of county economic status through a comparison of each county's averages for three economic indicators—three-year average unemployment rate, per capita market income, and poverty rate—with national averages. The resulting values are summed and averaged to create a composite index value for each county. Each county in the nation is then ranked, based on its composite index value, with higher values indicating higher levels of distress.

County Economic Levels

Each Appalachian county is classified into one of five economic status designations, based on its position in the national ranking.

Distressed

Distressed counties are the most economically depressed counties. They rank in the worst 10 percent of the nation's counties.

At-Risk

At-Risk counties are those at risk of becoming economically distressed. They rank between the worst 11 percent and 25 percent of the nation's counties.

Transitional

Transitional counties are those transitioning between strong and weak economies. They make up the largest economic status designation. Transitional counties rank between the worst 25 percent and the best 25 percent of the nation's counties.

Competitive

Competitive counties are those that are able to compete in the national economy but are not in the highest 10 percent of the nation's counties. Counties ranking between the best 11 percent and 25 percent of the nation's counties are classified competitive.

Attainment

Attainment counties are the economically strongest counties. Counties ranking in the best 10 percent of the nation's counties are classified attainment.